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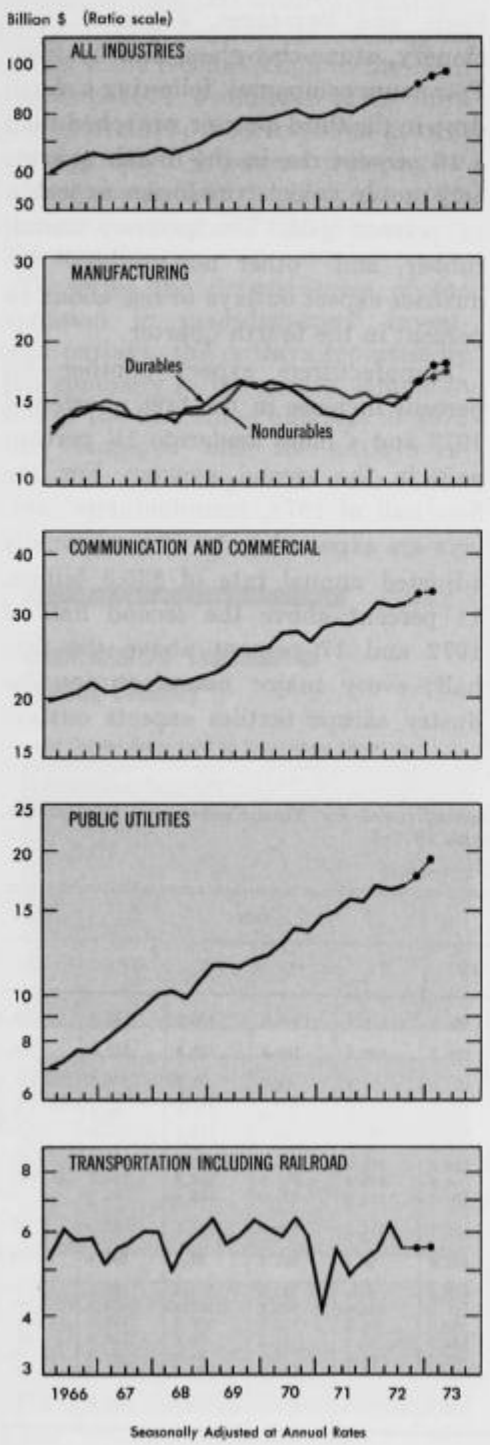
Capital Spending Programs: Fourth Quarter of 1972 and First Half of 1973

CHART 7

Plant and Equipment Expenditures



BUSINESS expenditures for new plant and equipment rose one-half percent from the second quarter of 1972 to the third, to a seasonally adjusted annual rate of $87.7 billion, according to the survey conducted in late October and November by the Bureau of Economic Analysis. Businessmen project a 5½ percent increase in the fourth quarter and increases of 4¾ percent and 1¼ percent in the first and second quarters of 1973, respectively. For the year 1972 as a whole, spending for new plant and equipment is expected to total $88.5 billion,[1] 9 percent higher than actual outlays in 1971. This latest projection of the 1972 increase reflects a further downward revision from the increase planned early this year (table 1), but is still much larger than the increases of 1.9 percent in 1971 and 5.5 percent in 1970.

Capital spending in manufacturing increased 2 percent from the second quarter to the third, with the largest percentage gains occurring in durable goods industries. Nonmanufacturing outlays as a whole were unchanged for the period, as increases by electric and gas utilities and commercial firms were offset by declines in the transportation industries.

In the survey conducted in August, businessmen had projected an increase in capital outlays of 3¾ percent from the second quarter to the third quarter of 1972, substantially greater than the estimated actual rise of one-half percent. Manufacturing industries, in the aggregate, showed a larger shortfall from expectations than the nonmanufacturing industries, in both dollar and percentage terms. Petroleum companies reported the largest difference between expected and actual spending, with motor vehicle, nonferrous metal, and paper manufacturers also spending substantially less than expected. Outlays

1. The expectations figures have been adjusted for systematic biases (footnote 2, table 7). Before adjustment, 1972 expenditures were expected to be $87.79 billion for all industries, $31.14 billion for manufacturing and $56.65 billion for nonmanufacturing. The adjustments were applied separately to each major industry; their net effect was to raise the manufacturing total by $0.02 billion and the nonmanufacturing total by $0.73 billion.

Table 1.—Plant and Equipment Expenditures, Annual Percent Change, 1971 and 1972

	Actual 1971	Expected 1972 as reported in:			
		Feb.	May	Aug.	Nov.
All industries	**1.9**	**10.5**	**10.3**	**9.7**	**9.0**
Manufacturing [1]	**−6.1**	**8.7**	**5.6**	**5.6**	**3.9**
Durable goods [1]	**−10.4**	**13.8**	**11.3**	**10.9**	**9.6**
Primary metals [1]	−14.1	4.8	3.0	3.6	1.5
Blast furnace, steel works	−18.1	−9.4	−5.9	−8.2	−7.9
Nonferrous	−12.8	18.9	14.2	18.8	13.0
Electrical machinery	−5.8	4.1	5.6	6.5	6.2
Machinery, except electrical	−19.2	13.0	.6	1.2	2.9
Transportation equipment [1]	−12.1	16.6	17.8	20.1	17.9
Motor vehicles	−4.8	18.6	21.2	20.9	18.6
Aircraft	−28.9	11.7	11.7	20.3	12.8
Stone, clay, and glass	−14.2	36.4	43.2	40.4	37.3
Other durables [1]	1.2	20.3	18.2	14.6	11.0
Nondurable goods [1]	**−1.9**	**4.2**	**.6**	**.8**	**−1.2**
Food including beverage	−5.3	8.5	−3.7	−3.3	−4.4
Textile	9.8	1.0	16.3	22.0	16.0
Paper	−24.3	14.1	9.5	11.0	6.7
Chemical	.1	−.1	3.2	−1.3	−1.6
Petroleum	4.2	−.6	−5.8	−3.1	−8.8
Rubber	−9.8	15.1	20.8	14.7	25.4
Other nondurables [1]	3.6	14.7	2.8	3.8	8.9
Nonmanufacturing industries	**7.2**	**11.6**	**13.1**	**12.1**	**12.0**
Mining	14.6	1.4	10.8	12.9	13.3
Railroad	−6.0	4.8	13.5	8.3	7.5
Air transportation	−38.0	28.4	25.9	33.2	34.2
Other transportation	12.9	11.8	−1.0	−.3	1.9
Public utilities	16.4	14.0	13.7	13.2	11.8
Electric	20.7	13.4	13.2	13.3	13.1
Gas and other	−2.0	17.1	15.9	12.6	5.2
Communication	6.6	14.2	14.3	11.4	10.6
Commercial and other	8.8	8.1	11.9	10.7	11.8

1. Includes industries not shown separately.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 2.—Expenditures for New Plant and Equipment, 1972–73

(Billions of dollars, seasonally adjusted annual rates)

	1972				1973	
	I	II	III	IV [1]	I [1]	II [1]
All industries	86.73	87.12	87.67	92.35	96.96	97.93
Manufacturing	30.09	30.37	30.96	32.56	35.11	35.57
Durable goods	14.96	14.77	15.67	16.44	17.08	18.00
Nondurable goods	15.02	15.60	15.31	16.02	17.14	17.67
Nonmanufacturing	56.76	56.75	56.70	59.49	61.84	62.36

1. As expected in late October and November.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

by communications firms, gas utilities, and railroads also were substantially below the projections made in August.

In the second quarter of this year, the increase in spending was also well below expectations; the survey taken in May found expectations of a 4½ percent increase from the first quarter to the second, but the actual rise was only only one-half percent. The magnitude of these two successive shortfalls prompted BEA to query officials of about two dozen firms that reported large shortfalls in third quarter expenditures relative to August projections. There was no clear pattern of reasons given for the difference between estimated and actual outlays. With only one minor exception, the differences were not due to actual cutbacks in projects. The most frequently cited factor was excessive optimism on the part of operations personnel as to how rapidly work could be completed; other factors mentioned included unexpected delays in construction progress and equipment deliveries and delays in billings and/or payments for work done.

In this connection it should be noted that the plant and equipment spending expectations are not intended to be forecasts of outlays but rather to represent businessmen's expectations of near-term investment. Expectations may differ from actual expenditures for many reasons. One important reason is that business firms spend more or less than planned because actual economic or operating conditions differ materially from expected conditions. Another reason is that respondents' expectations are subject to certain systematic biases which recur independently of economic conditions. The most pronounced biases are related to seasonal variations and size of firm. Many companies fail to take account of seasonal variations—such as the reduction in construction activity during the winter months—in reporting their expectations. As to size of firm, it is found that, on the average, large firms tend to overstate their investment programs while small firms' expectations typically understate actual investment. BEA does make adjustments in the expectations data to eliminate such systematic biases but does not make any adjustments for possible deviations between expected and actual economic or operating conditions. For a fuller discussion of systematic biases and the procedures used in eliminating these biases, see the February 1970 issue of the SURVEY, pp. 20–21, 36–39.

Manufacturing programs

As a group, manufacturers expect outlays to increase 6½ percent from the third quarter to the fourth, with most major industry groups expecting advances. Exceptions are producers of foods and beverages, electrical machinery, stone-clay-glass, and textiles. Petroleum companies, following a sharp drop in the third quarter, are scheduling a 16 percent rise in the fourth quarter and motor vehicle producers expect a 13 percent gain. The primary metal, rubber, and "other nondurables" industries expect outlays to rise about 10 percent in the fourth quarter.

Manufacturers expect another 6½ percent increase in the first quarter of 1973 and a more moderate 1½ percent gain in the second quarter. For the first half of 1973, manufacturers' outlays are expected to be at a seasonally adjusted annual rate of $35.3 billion, 11 percent above the second half of 1972 and 17 percent above the first half; every major manufacturing industry except textiles expects outlays

Table 3.—Index of Plant and Equipment Expenditures by Manufacturing Industries, 1971–III through 1973–I

(Third Quarter 1971=100.0)

	1971		1972				1973
	III	IV	I	II	III	IV [1]	I [1]
Manufacturing	100.0	104.9	103.1	104.9	106.1	112.8	120.8
Durable goods	100.0	106.2	101.6	107.4	109.9	119.5	130.6
Blast furnace, steel works	100.0	107.0	97.8	98.7	97.5	104.7	111.1
Nonferrous metals	100.0	100.4	125.8	104.0	110.0	132.1	159.5
Electrical machinery	100.0	104.1	98.7	103.9	111.3	104.2	113.8
Machinery, except electrical	100.0	110.5	100.0	106.7	115.8	122.6	126.9
Motor vehicles	100.0	123.4	118.9	124.4	119.7	136.6	135.3
Aircraft	100.0	90.7	116.5	111.3	108.3	116.2	123.7
Stone, clay, and glass	100.0	100.0	124.0	120.9	125.5	138.6	170.7
Other durable	100.0	101.7	111.2	102.5	111.1	116.9	125.1
Nondurable goods	100.0	103.5	97.4	101.1	99.2	107.9	111.9
Food including beverage	100.0	105.4	97.9	94.3	103.4	105.6	117.8
Textile	100.0	111.2	134.6	121.5	107.8	103.9	106.5
Paper	100.0	107.0	105.2	115.3	105.3	116.9	119.3
Chemical	100.0	104.1	97.0	97.4	98.0	104.6	107.7
Petroleum	100.0	92.0	84.2	93.5	84.1	97.3	95.2
Rubber	100.0	118.5	115.6	122.1	128.7	141.8	154.5
Other nondurable	100.0	120.9	127.8	124.6	140.0	132.3	141.1

1. Projected in late October and November 1972.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

to be higher in the first half of 1973 than in the first and second halves of this year. For the durable goods industries as a group, outlays are projected to rise 12 percent over the second half of 1972 and 21 percent over the first half; for nondurable goods industries, the projected increases are 9 percent and 13 percent, respectively.

The expected acceleration in the advance of manufacturers' expenditures marks a clear contrast to the sluggish rise since the recent trough in the third quarter of 1971. From then to the third quarter of 1972, the compound growth rate was only 1½ percent per quarter. Table 3 shows the expansion of outlays in manufacturing industries since the 1971 trough.

To probe the pervasiveness of the expansion in manufacturers' investment outlays, the outlays reported by each company in the survey sample in each of the first three quarters of 1972 were compared with the outlays reported in the comparable year-earlier quarter. Table 4 shows the percentage of companies reporting increases in expenditures and the percentage of companies reporting decreases for each of the first three quarters of 1972. (In each industry, the difference between

Table 4.—Percentage of Sample Firms in Manufacturing Reporting Change in Plant and Equipment Expenditures From Year-Earlier Quarter: First, Second and Third Quarters of 1972

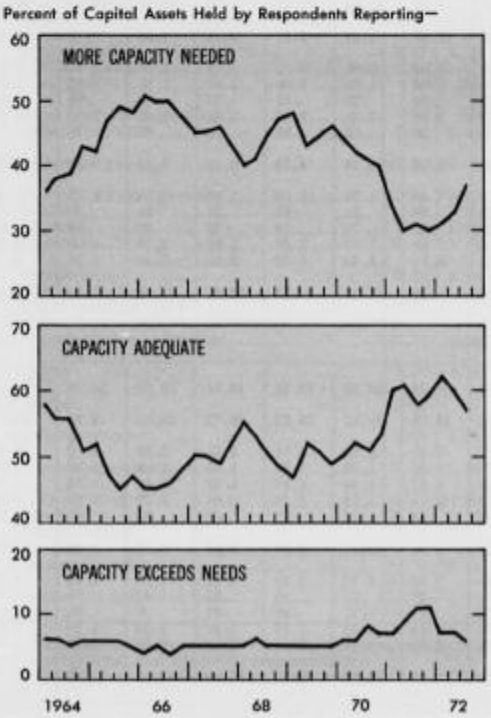
	Percentage of firms increasing expenditures [1]			Percentage of firms decreasing expenditures [1]		
	I	II	III	I	II	III
Manufacturing	49	51	54	44	42	39
Durable goods	50	54	56	43	39	37
Primary metals	48	47	54	45	51	43
Blast furnace, steel works	50	49	68	50	49	30
Nonferrous	49	36	39	44	62	57
Electrical machinery	55	59	59	38	36	33
Machinery, except electrical	38	50	54	53	41	41
Transportation equipment	46	56	56	47	36	34
Motor vehicles	47	67	69	49	31	26
Aircraft	29	38	49	62	51	35
Stone, clay, and glass	58	65	60	37	30	36
Other durables	54	53	56	38	38	36
Nondurable goods	47	48	50	46	46	43
Food including beverage	50	44	51	45	48	45
Textile	59	50	44	35	40	40
Paper	37	55	45	60	40	52
Chemical	44	45	52	49	49	42
Petroleum	39	40	38	59	60	60
Rubber	54	55	62	44	43	34
Other nondurables	45	49	52	44	44	39

1. The percentages shown do not add to 100 since the companies reporting no change in expenditures are not shown.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

CHART 8

Manufacturers' Evaluation of Existing Capacity*



* Relative to prospective operations during the ensuing 12-month period.

U.S. Department of Commerce, Bureau of Economic Analysis 72-12-8

Table 5.—Manufacturers' Evaluation of Their Capacity
(Percent distribution of gross capital assets) [1]

	1971			1972		
	June 30	Sept 30	Dec 31	Mar 31	June 30	Sept 30
More plant and equipment needed:						
All manufacturing	30	31	30	31	33	37
Durable goods [2]	25	25	24	25	28	34
Primary metals	19	19	18	21	25	25
Metal fabricators [3]	24	24	25	26	28	36
Nondurable goods [2]	35	36	35	36	37	40
Food including beverage	35	35	34	33	31	32
Chemical	42	46	43	40	45	46
Petroleum	38	38	39	40	40	40
About adequate:						
All manufacturing	61	58	59	62	60	57
Durable goods [2]	63	60	61	64	61	56
Primary metals	70	60	57	62	56	57
Metal fabricators [3]	63	63	64	65	64	57
Nondurable goods [2]	59	57	58	60	59	58
Food including beverage	53	56	57	57	58	65
Chemical	55	45	53	55	53	52
Petroleum	62	62	61	60	60	60
Existing plant and equipment exceeds needs:						
All manufacturing	9	11	11	7	7	6
Durable goods [2]	12	15	15	11	11	10
Primary metals	11	21	25	17	19	18
Metal fabricators [3]	13	13	11	9	8	7
Nondurable goods [2]	6	7	7	4	4	2
Food including beverage	12	9	9	10	11	3
Chemical	3	9	4	5	2	2
Petroleum	0	0	0	0	0	0

1. According to respondent companies' characterizations of their plant and equipment facilities, taking into account their current and prospective sales for the next 12 months.
2. Includes industries not shown separately.
3. Includes machinery, transportation equipment, and fabricated metals industries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

the sum of these two percentages and 100 percent represents the percentage of companies reporting no over-the-year change in outlays.) In the third quarter of 1972, 54 percent of the sample companies reported over-the-year increases in expenditures, as compared with 51 percent of the companies in the second quarter and 49 percent in the first quarter. In most industries, the percentage of companies reporting over-the-year increases in outlays moved up during 1972; particularly strong uptrends are shown in the steel and transportation equipment industries. The nonferrous metal, textile, and petroleum industries show declines or flat trends.

Manufacturers' capacity evaluation, starts, and carryover

The recent large shortfalls in manufacturers' investment spending, relative to expectations, raise some uncertainty about the realization of the advances projected for the fourth quarter of this year and the first half of 1973; however, the expectations are supported by the evidence on increased starts of investment projects (table 6) and the need expressed for additional plant capacity (table 5).

There was substantial change during the third quarter in manufacturers' overall evaluation of the adequacy of their plant and equipment facilities, taking account of prospective sales over the next 12 months. Companies owning 37 percent of total fixed assets in manufacturing reported that their facilities as of September 30 were inadequate, compared with a figure of 33 percent at June 30 (table 5). The "need more" percentage rose for both the durable and nondurable goods groups.

Facilities viewed as "about adequate" declined to 57 percent of manufacturers' fixed assets as of September 30 from 60 percent at the end of June. Companies reporting capacity in excess of current and near-term needs accounted for 6 percent of assets at the end of the September quarter, a small decline from June 30.

Investment projects started by manufacturers during the third quarter totaled a record $9.6 billion, seasonally adjusted, 11 percent higher than in the second quarter and 27 percent above the third quarter of 1971. The increase from the second quarter was 12 percent for durable goods manufacturers and 11 percent for nondurables.

The value of new projects started by manufacturing companies exceeded their capital expenditures in the third quarter, resulting in an increase in carryover—the amounts still to be spent on plant and equipment projects

Table 6.—Starts and Carryover of Plant and Equipment Projects, Manufacturing and Public Utilities, 1969–72

(Billions of dollars)

	Starts [1]										Carryover [2]						
	Annual			1971				1972			1971				1972		
	1969	1970	1971	I	II	III	IV	I	II	III	March	June	Sept.	Dec.	March	June	Sept.
Manufacturing [3]	34.07	29.62	28.89	6.91	6.48	6.79	7.82	7.67	8.31	8.88	19.79	18.84	18.12	17.50	16.76	19.44	20.58
Durable goods [3]	16.85	13.64	13.59	3.49	2.80	3.24	4.06	3.71	3.98	4.35	10.85	9.33	9.17	9.11	9.52	9.79	10.22
Primary metals	2.96	2.55	2.44	.78	.50	.39	.73	.66	.61	.91	3.14	2.08	2.72	2.68	2.96	2.92	3.14
Electrical machinery	2.80	2.18	1.89	.53	.20	.41	.69	.43	.60	.57	2.04	1.80	1.69	1.61	1.58	1.69	1.81
Machinery except electrical	3.60	3.20	2.89	.67	.64	.84	.94	.63	.73	.78	.80	.70	.71	.76	.80	.84	.88
Transportation equipment [4]	2.66	2.04	2.34	.66	.52	.89	.87	.50	.50	.73	2.39	2.21	2.47	2.42	2.43	2.40	2.50
Stone, clay, and glass	1.05	.92	.94	.25	.17	.24	.27	.24	.30	.36	.69	.48	.51	.54	.62	.74	.81
Nondurable goods [3]	17.22	15.14	14.42	3.43	3.68	3.55	3.76	4.16	4.33	4.53	9.45	9.51	8.95	8.40	9.24	9.66	10.36
Food including beverage	2.07	2.50	2.49	.50	.70	.68	.61	.64	.68	.96	1.09	1.04	1.06	1.00	1.08	1.13	1.29
Textile	.60	.40	.71	.18	.20	.18	.16	.18	.18	.15	.24	.21	.33	.31	.31	.20	.27
Paper	1.60	1.54	1.00	.21	.17	.32	.31	.24	.30	.33	.80	.75	.76	.72	.78	.83	.84
Chemical	3.02	3.00	3.25	.87	.83	.88	.85	.90	.97	1.06	2.03	2.56	2.42	2.38	2.64	2.56	2.53
Petroleum	6.10	5.04	5.14	1.20	1.23	1.26	1.39	1.30	1.40	1.51	2.76	2.52	2.28	2.00	3.40	3.55	3.78
Public utilities	15.16	17.20	22.22	7.13	4.98	4.35	6.45	9.16	5.64	5.20	27.36	27.31	29.11	30.27	26.84	26.61	27.43
	Adjusted for Seasonal Variation																
Manufacturing [3]				6.71	6.53	7.15	7.75	7.51	8.53	9.09	20.32	19.33	19.03	19.74	19.83	20.92	22.79
Durable goods [3]				3.35	2.91	3.69	4.05	3.47	4.29	4.69	10.78	10.27	10.32	10.72	10.42	10.93	11.71
Primary metals				.72	.69	.36	.80	.78	.73	.97	3.43	3.30	3.11	3.25	3.33	3.40	3.65
Electrical machinery				.48	.38	.48	.54	.38	.79	.67	1.97	1.78	1.67	1.65	1.48	1.62	1.69
Machinery except electrical				.66	.64	.63	.76	.55	.72	.80	1.47	1.30	1.37	1.42	1.43	1.46	1.61
Transportation equipment [4]				.05	.26	.87	.72	.54	.51	.77	2.35	2.13	2.49	2.61	2.53	2.42	2.50
Stone, clay, and glass				.22	.18	.23	.30	.28	.49	.33	.54	.54	.55	.62	.62	.82	.89
Nondurable goods [3]				3.36	3.62	3.46	3.70	4.14	4.43	4.39	9.55	9.15	9.28	9.02	9.41	9.99	11.07
Food including beverage				.84	.63	.71	.62	.70	.61	.80	1.18	1.16	1.19	1.14	1.23	1.29	1.50
Textile				.20	.18	.17	.17	.19	.18	.15	.20	.32	.34	.33	.32	.29	.27
Paper				.18	.18	.44	.38	.25	.43	.38	.02	.77	.01	.97	.90	.96	1.05
Chemical				.78	.73	.77	1.00	.86	.82	1.18	2.65	2.42	2.45	2.67	2.60	2.69	2.93
Petroleum				1.26	1.30	1.42	1.14	1.41	1.09	1.63	3.03	2.48	2.41	2.19	2.35	3.04	4.03
Public utilities				5.18	4.76	5.06	6.55	6.42	5.72	7.19	25.89	26.89	28.38	31.49	33.68	35.36	38.19

1. Starts are estimated by adding changes in carryover to expenditures during the given period.
2. Carryover refers to expenditures yet to be incurred on plant and equipment projects already underway at end of period.
3. Includes data not shown separately.
4. Includes guided missiles and space vehicles.

NOTE.—Details may not add to totals because of rounding.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

already underway. Manufacturers' seasonally adjusted carryover at September 30 totaled $22.8 billion, up $1.9 billion from June 30 and $3.2 billion from September 30, 1971.

Nonmanufacturing programs

Aggregate spending by the nonmanufacturing industries is expected to rise in the fourth quarter of 1972 and the first half of 1973, but at a slower pace than the manufacturing advance. Substantial increases in outlays have been scheduled for the fourth quarter by gas utilities (28 percent), railroads (14 percent), communications firms (10 percent), and mining firms (9 percent). Electric utilities and commercial firms expect small increases, and a decline is expected in nonrail transportation.

In the first 6 months of 1973, total nonmanufacturing expenditures are expected to be 7 percent above the second half of 1972 and 9 percent above the first half. Large investment gains in the first 6 months of 1973 are expected by railroads, "other transportation" companies, and public utilities.

Even if the strong gains in capital outlays projected by railroads for the fourth quarter of 1972 and the first half of 1973 are realized, that industry's spending will still be well below the high of $2.4 billion reached in 1966, the same year in which the industry's earnings recorded a peak. Since then, earnings have declined steadily and capital outlays have fluctuated at between 60 percent and 80 percent of the 1966 level. Recent data on new and unfilled orders for freight cars, as well as profits, do not suggest a basic improvement in the industry's capital investment for the near term.

The value of new projects started by public utilities reached a high of $7.2 billion in the third quarter, up $1.5 billion from the second quarter. Carryover by the utilities was $38.2 billion at September 30, $2.9 billion higher than at June 30 and $9.3 billion higher than at September 30, 1971.

Table 7.—Expenditures for New Plant and Equipment by U.S. Business,[1] 1970–73
(In billions of dollars)

	Annual			Quarterly, unadjusted									Quarterly, seasonally adjusted annual rate								
				1971				1972				1973	1971				1972				1973
	1970	1971	1972[2]	I	II	III	IV	I	II	III	IV[2]	I[2]	I	II	III	IV	I	II	III	IV[2]	I[2]
ALL INDUSTRIES	79.31	81.21	88.54	17.68	20.49	20.14	22.70	19.38	22.01	21.86	25.35	21.65	79.32	81.61	80.75	83.18	86.79	87.12	87.87	92.35	96.66
Manufacturing industries	31.96	28.93	31.16	6.89	7.65	7.31	8.44	6.61	7.63	7.74	9.18	7.72	30.48	30.12	29.19	30.35	30.89	30.37	30.38	32.95	35.11
Durable goods	15.50	14.85	15.82	3.31	3.82	3.46	4.12	3.28	3.71	3.86	4.85	3.94	14.21	14.06	13.76	14.61	15.06	14.77	15.07	16.44	17.86
Primary metals[3]	3.24	2.78	2.82	.66	.72	.65	.76	.61	.65	.69	.88	.76	3.06	2.91	2.80	2.68	2.82	2.63	2.76	3.04	3.55
Blast furnace, steel works	1.68	1.37	1.26	.33	.35	.32	.40	.25	.33	.31	.39	.29	1.50	1.36	1.26	1.25	1.24	1.26	1.23	1.32	1.40
Nonferrous	1.24	1.08	1.22	.24	.29	.26	.26	.28	.26	.30	.38	.36	1.06	1.22	1.01	1.01	1.27	1.06	1.20	1.33	1.61
Electrical machinery	2.27	2.14	2.27	.41	.63	.52	.66	.55	.58	.58	.68	.52	1.94	2.13	2.17	2.26	2.14	2.26	2.41	2.26	2.47
Machinery, except electrical	3.47	2.80	2.89	.65	.73	.62	.80	.58	.80	.72	.80	.73	2.88	2.90	2.68	2.85	2.80	2.73	2.90	3.16	3.25
Transportation equipment[3]	2.43	2.13	2.62	.47	.60	.54	.62	.55	.63	.63	.70	.62	2.10	1.97	2.06	2.38	2.48	2.48	2.49	2.70	2.70
Motor vehicles	1.50	1.51	1.80	.33	.24	.38	.46	.39	.45	.45	.50	.44	1.48	1.33	1.44	1.52	1.71	1.70	1.72	1.95	1.95
Aircraft[4]	.54	.38	.43	.09	.09	.10	.10	.09	.10	.11	.12	.10	.44	.37	.30	.35	.45	.45	.42	.43	.48
Stone, clay, and glass	.90	.85	1.16	.20	.19	.21	.25	.26	.28	.29	.34	.33	.87	.72	.90	.91	1.12	1.00	1.22	1.22	1.54
Other durables[5]	3.41	3.45	3.86	.72	.86	.85	1.02	.84	.91	.95	1.15	.93	3.20	3.42	3.50	3.56	3.90	3.80	3.80	4.06	4.38
Nondurable goods	16.15	15.84	16.65	3.58	4.03	3.81	4.32	3.32	3.92	3.87	4.34	3.79	16.25	16.06	16.43	16.74	15.82	15.60	15.31	16.52	17.14
Food including beverage	2.84	2.60	2.87	.62	.74	.60	.66	.56	.63	.78	.68	.67	2.70	2.64	2.52	2.65	2.46	2.42	2.73	2.66	2.90
Textile	.56	.61	.71	.12	.16	.15	.18	.13	.19	.17	.17	.13	.55	.60	.61	.68	.62	.74	.66	.64	.60
Paper	1.55	1.25	1.34	.20	.29	.31	.35	.27	.35	.32	.30	.31	1.34	1.19	1.29	1.29	1.27	1.30	1.27	1.40	1.44
Chemical	3.44	3.41	3.39	.78	.89	.83	.90	.75	.85	.81	.98	.89	3.43	3.40	3.39	3.43	3.29	3.30	3.36	3.54	3.65
Petroleum	5.62	5.93	5.84	1.31	1.40	1.51	1.57	1.09	1.34	1.28	1.94	1.22	5.99	6.07	5.92	5.45	4.99	5.54	4.98	5.76	5.79
Rubber	.94	.84	1.06	.19	.19	.20	.26	.21	.24	.28	.33	.30	.86	.78	.80	.94	.92	.97	1.11	1.21	1.33
Other nondurables[6]	1.11	1.15	1.25	.26	.30	.26	.32	.27	.31	.31	.35	.30	1.25	1.19	.99	1.20	1.27	1.24	1.18	1.31	1.49
Nonmanufacturing industries	47.75	52.22	57.38	10.79	12.86	12.83	14.26	12.77	14.36	14.12	16.11	13.93	46.86	51.50	51.56	52.82	56.70	56.76	56.76	59.40	61.54
Mining	1.80	2.18	2.45	.49	.54	.56	.60	.58	.61	.69	.67	.64	2.04	2.06	2.28	2.30	2.42	2.38	2.40	2.61	2.68
Railroad	1.78	1.67	1.80	.34	.47	.42	.45	.48	.48	.38	.47	.43	1.46	1.88	1.72	1.64	2.10	1.86	1.50	1.70	1.96
Air transportation	2.08	1.88	2.52	.36	.50	.39	.50	.50	.73	.61	.69	.54	1.29	2.28	1.68	2.26	1.96	2.90	2.57	2.67	2.14
Other transportation	1.28	1.38	1.41	.28	.35	.37	.37	.32	.39	.35	.35	.33	1.39	1.40	1.48	1.33	1.48	1.59	1.41	1.28	1.50
Public utilities	12.14	13.20	17.13	3.11	3.33	4.07	4.29	3.03	4.21	4.30	4.85	4.10	14.64	14.91	15.87	15.74	16.02	16.60	17.01	17.94	19.48
Electric	10.65	12.86	14.54	2.70	3.20	3.35	3.60	3.10	3.61	3.67	4.07	3.52	12.16	12.61	13.68	13.01	14.27	14.82	14.62	14.98	16.25
Gas and other	2.49	2.44	2.57	.41	.63	.71	.69	.44	.62	.72	.78	.53	2.48	2.30	2.20	2.74	2.85	2.27	2.38	3.05	3.23
Communication	10.10	10.77	11.00	2.50	2.81	2.82	2.84	2.72	2.96	2.84	10.06	7.73	10.70	11.21	10.72	10.44	11.71	11.59	11.56	33.20	33.80
Commercial and other[7]	18.89	18.06	20.13	3.94	4.44	4.42	5.26	4.55	4.06	4.87			17.30	17.72	17.85	19.10	20.19	19.85	20.10		

1. Excludes agricultural business; real estate operators; medical, legal, educational, and cultural services; and nonprofit organizations.
2. Estimates are based on expected capital expenditures reported by business in late October and November 1972. The estimates for the full year 1972 and for the fourth quarter, and first quarter of 1973 have been corrected for systematic biases. The adjustment procedures are described in the February 1970 issue of the SURVEY OF CURRENT BUSINESS. Before such adjustments, 1972 expenditures were expected to be $87.79 billion for all industries, $31.14 billion for manufacturing, and $56.65 billion for nonmanufacturing.
3. Includes data not shown separately.
4. Includes guided missiles and space vehicles.
5. Includes fabricated metal, lumber, furniture, instrument, ordnance and miscellaneous except guided missiles and space vehicles.
6. Includes apparel, tobacco, leather and printing-publishing.
7. Includes trade, service, construction, finance and insurance.

NOTE.—Details may not add to totals because of rounding.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.